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CONFERENCE OF THE PARTIES

REPORT OF THE CONFERENCE OF THE PARTIES ON ITS SECOND SESSION, HELD AT GENEVA FROM 8 TO 19 JULY 1996

Addendum

PART TWO: ACTION TAKEN BY THE CONFERENCE OF THE PARTIES AT ITS SECOND SESSION

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I. DECISIONS ADOPTED BY THE CONFERENCE OF THE PARTIES

Decision 1/CP.2

Date and venue of the third session of the Conference of the Parties

The Conference of the Parties,

Recalling Article 7.4 of the United Nations Framework Convention on Climate Change,

Recalling General Assembly resolution 40/243 of 18 December 1985,

Recalling its decision 1/CP.1 on the Berlin Mandate and decision 21/CP.1 on arrangements for the third session of the Conference of the Parties,

Having received the offer of the Government of Japan to host the third session of the Conference of the Parties in Kyoto and to cover the related costs involved,

1. *Accepts with gratitude* the generous offer of the Government of Japan to host the third session of the Conference of the Parties;

2. *Decides* that the third session of the Conference of the Parties shall be held in Kyoto, Japan, from 1 to 12 December 1997;

3. *Requests* the Executive Secretary to make satisfactory arrangements with the Government of Japan for it to host the conference in Kyoto and to meet the related costs.

8th plenary meeeting
19 July 1996

Decision 2/CP.2

Programme of work of the Subsidiary Body for Implementation, 1996-1997

The Conference of the Parties,

Recalling its decision 6/CP.1 on the subsidiary bodies established by the Convention,

1. *Takes note* of the programme of work 1996-1997 developed by the Subsidiary Body for Implementation contained in document FCCC/SBI/1996/11;

2. *Requests* the Subsidiary Body for Implementation to continue to undertake the tasks described in the programme of work with the assistance of the secretariat and to report on its work to the Conference of the Parties at its third session.

8th plenary meeting
19 July 1996

Decision 3/CP.2

Secretariat activities relating to technical and financial support to Parties

The Conference of the Parties,

Having considered the progress report of the secretariat on this subject, in particular, on the activities known as CC:INFO, CC:TRAIN, CC:FORUM and CC:SUPPORT (FCCC/SBI/1996/10),

1. *Takes note* of the technical and financial support provided by the secretariat to Parties, particularly developing country Parties, to enhance their capacity to effectively implement their commitments under the Convention;

2. *Takes note* of the initial steps taken by the secretariat to expand and strengthen CC:INFO by providing assistance, on request, to Parties in the establishment of national sites on the World Wide Web regarding the implementation of the Convention;

3. *Takes note also* of the initial steps taken by the secretariat to expand and strengthen CC:FORUM by promoting, in cooperation with the United Nations Development Programme, the design and initiation of a programme in support of the preparation of national communications (CC:SUPPORT);

4. *Urges* all Parties to continue to make contributions to the Trust Fund for Supplementary Activities;

5. *Requests* the secretariat to prepare a progress report for consideration by the Subsidiary Body for Implementation at its sixth session on the state of advancement of these activities in the area of technical cooperation, and to report to the Conference of the Parties at its third session.

8th plenary meeting
19 July 1996

Decision 4/CP.2

Future work of the Ad Hoc Group on Article 13

The Conference of the Parties,

Recalling Article 13 of the United Nations Framework Convention on Climate Change, and decision 20/CP.1,

Having considered the report of the Ad Hoc Group on Article 13 on its first session (FCCC/AG13/1995/2), in which the Group concluded that the consideration of a multilateral consultative process and its design would take considerable time and would not be completed before the close of the second session of the Conference of the Parties,

1. *Decides* that the work of the Group should continue beyond the second session of the Conference of the Parties;

2. *Requests* the Group to report to the Conference of the Parties at its third session on the progress of its work, if its work is not completed by that time;

3. *Further requests* that, if the Group's work has been completed by the third session of the Conference of the Parties, it should, in accordance with decision 20/CP.1, provide the Conference of the Parties with a report on its findings.

8th plenary meeting
19 July 1996

Decision 5/CP.2

Linkage between the Ad Hoc Group on Article 13 and the Ad Hoc Group on the Berlin Mandate

The Conference of the Parties,

Recalling Article 13 of the United Nations Framework Convention on Climate Change and the work being done by the Ad Hoc Group on Article 13,

Recalling also the work of the Ad Hoc Group on the Berlin Mandate,

Decides that the Ad Hoc Group on the Berlin Mandate may, in any consideration of a multilateral consultative process, seek such advice as may be deemed necessary from the Ad Hoc Group on Article 13 on this matter.

8th plenary meeting
19 July 1996

Decision 6/CP.2

Second Assessment Report of the Intergovernmental Panel on Climate Change

The Conference of the Parties,

Recalling the mandate of the Subsidiary Body for Scientific and Technological Advice as given in Article 9 of the United Nations Framework Convention on Climate Change and decision 6/CP.1 to provide assessments of the state of scientific knowledge relating to climate change and its effects (Article 9.2 (a)) and, in this context, to:

(a) Summarize and, where necessary, convert the latest international scientific, technical, socio-economic and other information provided by competent bodies, including, *inter alia*, the Intergovernmental Panel on Climate Change, into forms appropriate to the needs of the Conference of the Parties;

(b) Compile and synthesize scientific, technical and socio-economic information on the global situation on climate change, provided by, *inter alia*, the Intergovernmental Panel on Climate Change, as well as on the latest developments in science, to the extent possible, and assess the implications thereof for the implementation of the Convention; and formulate requests to competent international scientific and technical bodies,

Recalling also that the Subsidiary Body for Scientific and Technological Advice held an exchange of views on the Second Assessment Report of the Intergovernmental Panel on Climate Change during its second and third sessions (FCCC/SBSTA/1996/8 and FCCC/SBSTA/1996/13), and the recommendations of the Subsidiary Body for Scientific and Technological Advice,

1. *Notes* that the Second Assessment Report of the Intergovernmental Panel on Climate Change needs to be considered as a whole;

2. *Considers* the Second Assessment Report of the Intergovernmental Panel on Climate Change to be the most comprehensive and authoritative assessment now available of the scientific and technical information regarding global climate change;

3. *Expresses* its appreciation to the Intergovernmental Panel on Climate Change, particularly its Chairman and all its authors and scientists, for their excellent work in drawing up the Second Assessment Report;

4. *Welcomes* the commitment of the Intergovernmental Panel on Climate Change to undertake the work programme requested in support of the Subsidiary Body for Scientific and Technological Advice and the Ad Hoc Group on the Berlin Mandate;

5. *Urges* continuing cooperation between the Convention bodies and the Intergovernmental Panel on Climate Change.

8th plenary meeting
19 July 1996

Decision 7/CP.2

Development and transfer of technologies

The Conference of the Parties,

Recalling the relevant provisions of chapter 34 of Agenda 21 on transfer of environmentally sound technology, cooperation and capacity-building,

Recalling also its decision 13/CP.1 on transfer of technology,

Pursuant to the relevant provisions of the United Nations Framework Convention on Climate Change, in particular, Articles 4.1, 4.4, 4.5, 4.7, 4.8, 4.9, 9.2 and 11.1,

Having considered the progress report presented by the Convention secretariat on commitments related to the transfer of environmentally sound technologies and know-how, as well as the inventory and assessment of environmentally sound and economically viable technologies and know-how conducive to mitigating and adapting to climate change,

Taking note of paragraph 46 of document FCCC/CP/1996/12, wherein it is stated that the information on transfer of technology from Parties included in Annex II to the Convention (Annex II Parties) "differed considerably in format, thoroughness and level of detail and consequently a comprehensive portrayal of technology transfer activities is not possible at this stage",

Expressing concern over the slow progress in the implementation of decision 13/CP.1,

1. *Reaffirms* the full text of decision 13/CP.1 on transfer of technology;

2. *Requests* the Convention secretariat:

(a) To further enhance its progress reports on access to, and the transfer of, environmentally sound technology in accordance with decision 13/CP.1, paragraphs 1 (a) and (b) and 2 (a) and (b), and Article 4.5 of the Convention, based on the national communications from Parties included in Annex I to the Convention (Annex I Parties) due in April 1997; and to make suggestions with regard to further improvements in the format for information on existing environmentally sound technologies and know-how from Annex II Parties;

(b) To give high priority to the development and completion of a survey of the initial technology needs, as well as technology information needs, of Parties not included in Annex I to the Convention (non-Annex I Parties), with a view to providing a progress report to the Subsidiary Body for Scientific and Technological Advice at its fourth session;

(c) To initiate action, including consultations with Parties and relevant international organizations, *inter alia*, taking into account the ongoing work of the Climate Technology Initiative, to identify existing technology information activities and needs, with a view to developing options for building on existing specialized information centres and networks to provide fast and one-stop databases relating to state-of-the-art, environmentally sound and economically feasible technology and know-how in a manner that would be readily accessible to developing countries. The options should consider the need and resources required for improving existing, and setting up additional, technology information centres and networks;

(d) To expedite the preparation of reports on adaptation technology and the terms of transfer of technology and know-how conducive to mitigating and adapting to climate change, and, in preparing these reports, to draw on nominees with expertise in these fields from Parties. Such a roster of experts and its use in facilitating the work of the Convention secretariat should be evaluated by the Subsidiary Body on Scientific and Technological Advice and the Subsidiary Body for Implementation, taking into account the ongoing discussion on Intergovernmental Technical Advisory Panel(s);

(e) To organize a round table on transfer of technologies and know-how in conjunction with the third session of the Conference of the Parties;

3. *Requests* the Subsidiary Body for Implementation to evaluate and report on the transfer of technologies being undertaken between Annex II Parties and other Parties, and to do so by drawing on a roster of experts as referred to above, and to take into account the planned technical report of the Intergovernmental Panel on Climate Change on methodological and technical aspects of technology transfer;

4. *Urges*:

(a) Annex II Parties to include in their national communications the measures taken for the transfer of technology in order to enable the Convention secretariat to compile, analyse and submit the relevant reports to each session of the Conference of the Parties;

(b) Other Parties to include in their communications, where possible, information on measures taken for the transfer of technology in order to enable the Convention secretariat to compile, analyse and then submit the above-mentioned documents to each session of the Conference of the Parties;

(c) Annex II Parties to expedite their efforts in the transfer of technology in fulfilment of their commitments under Article 4.5 and in recognition of Article 4.7 of the Convention;

(d) All Parties, particularly Annex II Parties, to improve the enabling environment, including the removal of barriers and the establishment of incentives, for private sector

activities that advance the transfer of technologies to address climate change and its adverse impacts;

(e) Annex I Parties to contribute technical and other expertise to the work of the Convention secretariat related to specialized technology information centres;

(f) In this context, non-Annex I Parties to cooperate with the secretariat in the survey of technology needs and capacities to the extent their own capacities permit and based on their current national assessments;

(g) Non-Annex I Parties to communicate initial information to the Convention secretariat not later than 1 December 1996 regarding technologies and know-how required to address climate change and its adverse effects that could be compiled by the secretariat into a detailed list of technology needs required by developing country Parties, taking into account that more elaborate technology needs would be included in their initial national communications; and

5. *Decides* to review, at the third session of the Conference of the Parties, and at each session of the Conference of the Parties thereafter, the implementation of Article 4.5 and 4.1(c) of the Convention as a separate agenda item under "matters relating to commitments".

8th plenary meeting
19 July 1996

Decision 8/CP.2

Activities implemented jointly under the pilot phase

The Conference of the Parties,

Reaffirming its decision 5/CP.1 on activities implemented jointly, whereby the Conference of the Parties is to review the progress of the pilot phase with a view to taking appropriate decisions on its continuation,

1. *Takes note* of the progress report on activities implemented jointly (FCCC/CP/1996/14 and Add.1);

2. *Decides* to continue the pilot phase;

3. *Invites* Parties to report in accordance with the initial reporting framework adopted by the Subsidiary Body for Scientific and Technological Advice at its second session (FCCC/SBSTA/1996/8, annex IV);

4. *Requests* the secretariat to support the work on issues relating to activities implemented jointly as agreed by the Subsidiary Body for Implementation and the Subsidiary Body for Scientific and Technological Advice.

8th plenary meeting
19 July 1996

Decision 9/CP.2

Communications from Parties included in Annex I to the Convention: guidelines, schedule and process for consideration

The Conference of the Parties,

Recalling the relevant provisions of the United Nations Framework Convention on Climate Change, in particular, Articles 4, 5, 6, 7.2, 9.2(b), 10.2, 11 and 12,

Recalling its decision 2/CP.1 on review of first communications from the Parties included in Annex I to the Convention, decision 3/CP.1 on preparation and submission of national communications from the Parties included in Annex I to the Convention and decision 4/CP.1 on methodological issues,

Having considered the relevant recommendations of the Subsidiary Body for Scientific and Technological Advice and those of the Subsidiary Body for Implementation,

Recognizing that anthropogenic emissions and removals by sinks of all greenhouse gases should be reported in a complete, transparent and comparable way that avoids double-counting or incomplete counting,

1. *Requests* the Subsidiary Body for Scientific and Technological Advice to consider, at its fourth session, any other possible additional revisions to the guidelines arising from, *inter alia*, any modifications to the Intergovernmental Panel on Climate Change Guidelines for National Greenhouse Gas Inventories;

2. *Requests* the Subsidiary Body for Scientific and Technological Advice to consider methodological issues relevant to national communications and, in particular, at its fourth session, to address those issues discussed in FCCC/SBSTA/1996/9/Add.1 and Add.2; and, if relevant conclusions on such issues can be drawn, to revise further the guidelines for the preparation of national communications as appropriate;

3. *Decides* that Parties included in Annex I to the Convention (Annex I Parties) should use the revised guidelines contained in the annex to this decision for the preparation of their second communications, taking into account decisions of the Subsidiary Body for Scientific and Technological Advice at its fourth session and, unless modified or replaced, for subsequent communications;

4. *Requests* Annex I Parties to submit to the secretariat, in accordance with Article 12.1 and 12.2 of the Convention:

(a) A second national communication[1] by 15 April 1997. For those Parties which were due to submit the first communication in 1996, an update of this communication is to be submitted by the same date; second national communications by Parties with economies in transition should in principle be submitted not later than 15 April 1998;

(b) National inventory data on emissions by sources and removals by sinks on an annual basis, by 15 April of each year, following the principles contained in decision 3/CP.1;

5. *Decides* that the four Parties that have invoked Article 4.6 of the Convention, requesting in their first communications flexibility to use base years other than 1990, be allowed this degree of flexibility, as follows:

- Bulgaria: to use 1989 as a base year;
- Hungary: to use the average of the years 1985 to 1987 as a base year;
- Poland: to use 1988 as a base year;
- Romania: to use 1989 as a base year;

6. *Requests* the Subsidiary Body for Implementation to consider any additional requests on the basis of Article 4.6 of the Convention and to take decisions as appropriate on its behalf, and to report thereon to the Conference of the Parties;

7. *Requests* that the Annex I Parties with economies in transition invoking Article 4.6 of the Convention in the implementation of their commitments should do so by explicitly indicating the nature of this flexibility (e.g., choice of a base year other than 1990, use of the revised guidelines for the preparation of national communications, schedule of submission of national inventory data other than indicated in paragraph 4 (b) above, etc.), and should state clearly the special consideration they are seeking and provide an adequate explanation of their circumstances;

8. *Decides* that the review process be continued in accordance with the relevant decisions of the Conference of the Parties;

9. *Requests* the secretariat to apply the procedures for the review, including in-depth reviews, as defined in decision 2/CP.1, to second national communications from Annex I Parties; the in-depth reviews are to be completed before the fifth session of the Conference of the Parties;

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[1] This term includes communications from the regional economic integration organization included in Annex I to the Convention.

10. *Requests* the secretariat to prepare the documentation on the results of the review of second national communications, including compilation and synthesis and/or other reports, according to schedules to be adopted by the subsidiary bodies. A first compilation and synthesis of second national communications from Annex I Parties should be available for consideration by the Conference of the Parties at its third session;

11. *Urges* those Annex I Parties that have not yet submitted their national inventory data on emissions by sources and removals by sinks, as requested by decision 3/CP.1, to do so as soon as possible;

12. *Concludes*, with respect to the reporting of national communications by Annex I Parties, that:

(b) Annex I Parties are fulfilling their Article 4.2(b) commitments to report in detail on national policies and measures on the mitigation of climate change;

(c) Annex I Parties are fulfilling their Article 12.3 commitments by reporting on their commitments regarding the transfer of technology and the provision of financial resources;

13. *Concludes*, with respect to the implementation of the Convention by Annex I Parties, that:

(a) Annex I Parties are fulfilling their Article 4.2 commitments to implement national policies and take corresponding measures on the mitigation of climate change but that, according to available information, for many Annex I Parties urgent further actions will be needed to return greenhouse gas emissions to their 1990 levels by 2000;

(b) The challenges which Annex I Parties currently face in meeting the aim to return greenhouse gas emissions to their 1990 levels by 2000, and the efforts being made to address these challenges, will be relevant for the negotiations in the Ad Hoc Group on the Berlin Mandate on commitments for the post-2000 period;

(d) There is a need to address the concern expressed by some Parties that Parties included in Annex II to the Convention (Annex II Parties) are falling short of their commitments related to the transfer of technology and the provision of financial resources, keeping in mind that other Parties noted that some Annex II Parties are providing bilateral contributions and that all Annex II Parties contribute to the Global Environment Facility, and noting that these Parties are requested to enhance the reporting on these commitments through applying the revised guidelines contained in the annex to this decision.

8th plenary meeting
19 July 1996

Annex

REVISED GUIDELINES FOR THE PREPARATION OF NATIONAL COMMUNICATIONS BY PARTIES INCLUDED IN ANNEX I TO THE CONVENTION

1. The guidelines for the preparation of communications by Parties included in Annex I to the Convention (Annex I Parties) have three principal purposes:

(a) To assist Annex I Parties in meeting their commitments under Articles 4 and 12 of the Convention;

(b) To facilitate the process of considering the national communications, including the preparation of useful technical analysis and synthesis documentation, by encouraging the presentation of information in ways that are consistent, transparent and comparable; and

(c) To ensure that the Conference of the Parties has sufficient information, in accordance with Article 4.2(d), to carry out its responsibilities to review the implementation of the Convention and the adequacy of the commitments in Article 4.2(a) and (b).

Coverage

2. In accordance with Articles 4.1(j) and 12.1(b), a communication should address the full range of a Party's actions to implement all its Convention obligations, including those relating to adaptation, research, education and other actions, in addition to those to limit emissions and enhance sinks. With regard to Annex II Parties, this would include measures to implement Article 4.3, 4.4 and 4.5.

3. In accordance with Articles 4 and 12, a communication should address all anthropogenic emissions and removals of all greenhouse gases not controlled by the Montreal Protocol.

Cross-cutting issues

4. Quantitative data related to inventories and projections of greenhouse gas emissions and removals should be presented on a gas-by-gas basis in units of mass (Gg) with emissions by sources listed separately from removals by sinks, except in cases where it is technically impossible to separate information on sources and sinks in the area of land-use change and forestry.

5. In addition to communicating emissions in units of mass, Parties may choose also to use global warming potentials (GWPs) to reflect their inventories and projections in carbon dioxide-equivalent terms, using information provided by the Intergovernmental Panel on Climate Change (IPCC) in its Second Assessment Report. Any use of GWPs should be based

on the effects of the greenhouse gases over a 100-year time horizon. In addition, Parties may also use other time horizons.

6. Taking into account the provisions of Article 4.2(b), the year 1990 should be the base year for inventories[a]. The provisions of Article 4.6 are relevant in this context for the Parties included in Annex I undergoing transition to a market economy, and those Parties in their communications should propose to the Conference of the Parties the kind of flexibility they are seeking pursuant to that Article.

7. The transparency of national communications is fundamental to the success of the process for the communication and consideration of information. This transparency is particularly important for inventories of emissions and removals of greenhouse gases and for projections and assessments of the effects of measures.

8. When national communications present quantitative data related to inventories and projections of greenhouse gas emission and removal levels, the level of uncertainty associated with these data and underlying assumptions should be discussed qualitatively and, where possible, quantitatively.

9. Parties should provide additional relevant background information to the secretariat, if possible, but not necessarily, in a working language of the secretariat. Such information should include documentation on emission factors used, activity data, and other relevant assumptions, as well as technical reports on the projections analysis.

10. When reporting on policies and measures and projections, Parties may refer to the "Methods for assessment of mitigation options" (chapter 27) and appendices 1-4, contained in "Climate Change 1995: IPCC Second Assessment Report, Volume III, Scientific-Technical Analyses of Impacts, Adaptations and Mitigation of Climate Change: Contribution of Working Group II of the IPCC."

Inventories

11. Article 12.1(a) requires that communications include a national inventory of anthropogenic emissions by sources and removals by sinks of all greenhouse gases not controlled by the Montreal Protocol. At a minimum, information should be provided on the following greenhouse gases: carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), perfluorocarbons (PFCs), hydrofluorocarbons (HFCs), and sulphur hexafluoride (SF_6). Parties should also provide information on the indirect greenhouse gases carbon monoxide (CO), nitrogen oxides (NO_x) and non-methane volatile organic compounds (NMVOCs), and are encouraged to provide data on sulphur oxides. As new gases with significant global warming

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[a] In accordance with the decisions of the Intergovernmental Negotiating Committee for a Framework Convention on Climate Change at its eight session.

potentials are identified, they should be included in the communications. Where methodological or data gaps exist, information should be presented in a transparent manner.

12. If Parties carry out any adjustments to inventory data, for example for climate variations or trade patterns in electricity, these adjustments should be reported in a transparent manner, with clear indications of the method followed. Both adjusted and unadjusted data should be provided.

13. Parties should also provide greenhouse gas inventory information for years subsequent to 1990. Data should be provided for each year (where appropriate, updated) for the period 1990-1994 and, where available, for 1995, for the second national communication. Subsequent national communications should provide data from 1990 and up to three years prior to the submission year, and, if possible, later years. If possible, data should also be provided in an electronic version which is compatible with the requirements of the secretariat.

14. The IPCC Guidelines for National Greenhouse Gas Inventories should be used in estimating, reporting and verifying inventory data. These inventory guidelines offer a default methodology available to any country that wishes to use it. Countries that already have an established and comparable methodology could continue to use that methodology, provided that they include sufficient documentation to back up the data presented. For Parties using the CORINAIR methodology or other "bottom-up" approaches, this would entail providing activity data and disaggregated emission factors as well as details of the correspondence between the IPCC source categories and those of the CORINAIR or other "bottom-up" approach used. Standard tables and formats recommended in the IPCC Guidelines for National Greenhouse Gas Inventories should be used for presentation of data.

15. With regard to possible double counting or non-counting of emissions, Parties should provide a brief description of how feedstocks have been considered in the industrial processes source category of the inventory, in particular in the production of iron and steel and non-ferrous metals, and in the chemical and petro-chemical industry. Parties should also provide a brief explanation of the way in which CO_2 emissions in the waste source category have been considered, in particular indicating whether the IPCC methodology has been followed in excluding CO_2 emissions from organic waste combustion or aerobic decomposition of biogenic products and including emissions from fossil-fuel based products (plastics and hydrocarbons).

16. To ensure transparency, enough information should be provided to allow the reconstruction of the inventory from national activity data, emission factors and other assumptions, and to assess the results. Annex I Parties should follow the IPCC Guidelines for National Greenhouse Gas Inventories with respect to the presentation of methodologies, activity data, emission factors and other assumptions. Standard data tables do not provide the level of detail necessary to enable the reconstruction of an inventory. In this connection,

IPCC worksheet 1.1, or other equivalent documentation, indicating the assumptions used to estimate CO_2 emissions from fuel combustion, in line with the IPCC Reference Approach, should be provided.

17. In providing information on emissions from international aviation and marine bunker fuels, and in accordance with the IPCC Guidelines for National Greenhouse Gas Inventories, Parties should include such data, in a separate category, in their inventories of emissions on the basis of fuel sold and should, as far as possible, not include them in total national emissions.

18. If Parties wish in addition to present their inventory data in other forms, *inter alia*, greenhouse gas emissions per capita, this information could be provided in a section of the national communication dealing with basic data (national circumstances). If possible, it would also be desirable to include some information on historical trends (for example, emissions and removals over the period 1970-1990) so as to put the inventory information in context.

19. In providing information on sequestration and emissions of carbon in the land-use change and forestry sector, as well as in agricultural soils, Parties should provide the information in the worksheets provided in the IPCC Guidelines for National Inventories, or equivalent documentation. Emissions of other greenhouse gases associated with these activities should also be listed, as appropriate. Historical trends should be included where available. Even if Parties do not use the IPCC default methodology, the results should be presented using the IPCC reporting format.

Policies and measures

20. Article 12.2 requires Annex I Parties to communicate information on policies and measures they have adopted to implement their commitments under Article 4.2(a) and (b). The national communications should describe all of a Party's policies and measures implemented or committed to that the Party believes contribute significantly to its efforts to reduce emissions and enhance sinks of greenhouse gases. These actions need not have as a primary objective the limitation of greenhouse gas emissions.

21. Parties are also encouraged to provide information on actions implemented by regional and local governments or the private sector, ensuring that double-counting is avoided. However, some aggregation may be appropriate to maximize the utility of such information. The communications could also note policies and measures that have been adopted in the context of international or regional efforts towards coordination, as appropriate, of economic and administrative instruments in accordance with Article 4.2(e)(i).

22. The overall policy context for the policies and measures adopted should be presented. This could include reference to other relevant polices as well as elaboration of national greenhouse gas targets.

23. Communications of policies and measures should be organized by gas and by sector. This should, to the extent possible, be consistent with the categories set out in the IPCC Guidelines for National Greenhouse Gas Inventories. Wherever possible the description and evaluation of each policy and measure should examine reductions in all of the relevant gases listed in paragraph 11 above. Their description should, in principle, be structured along the following lines, as appropriate:[b]

Carbon dioxide

- Cross-sectoral
- Energy and transformation industries
- Transport
- Industry (energy-related)
- Industry (non-energy)
- Residential, commercial and institutional
- Fugitive fuel emissions
- Agriculture
- Land-use change and forestry

Methane

- Waste management (including sewage treatment)
- Agriculture (non-energy)
- Fugitive fuel emissions
- Industry (non-energy)
- Industry (energy-related)
- Land-use change and forestry

Nitrous oxide

- Industry (non-energy)
- Industry (energy-related)
- Agriculture (non-energy)
- Transport
- Energy and transformation industries
- Land-use change and forestry

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[b] Parties need include only those sectors where they have specific policies or measures to describe. Sectors might be further disaggregated, or other sectors added, as appropriate. Impacts of policies and measures should be included under each appropriate gas and sector. They need be described only once, where they have the most significant impact, with appropriate cross-references.

Other greenhouse gases and precursors[c]

- Transport
- Energy and transformation industries
- Industry (non-energy)
- Industry (energy-related)
- Residential, commercial and institutional
- Land-use change and forestry
- Solvent and other product use
- Waste management (including sewage treatment)

24. To facilitate transparency, enough detail should be provided about each individual policy and measure described in the text of the national communication to allow a third party to understand the action's objective and degree of implementation, as well as how the greenhouse gas effects of the action will be monitored over time. The following information should be included in the description of individual policies and measures:

(a) Objective(s) of the measure in terms of the gas(es) and sector(s) targeted;

(b) Type of policy instrument used by the measure (e.g. economic instrument, regulation or guideline, voluntary agreement, information, education and training, research and development related to mitigation measures);

(c) How the policy or measure interacts with other policies and measures described;

(d) Status of implementation of, and/or commitment to, the policy or measure. (This should, where appropriate, make reference to a section of the national communication related to national circumstances that describes the policy-making process in the country or organization);

(e) How the measure is expected to function or is functioning;

(f) Monitoring through intermediate indicators of progress for policies and measures. (These may be related to legislative processes, emissions-related activities or the broader objectives of the policies and measures);

(g) A quantitative estimate of the mitigation impact of the policy or measure or, if unavailable, a ranking of individual policies and measures according to their relative importance in mitigation; and

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[c] Other greenhouse gases might be disaggregated if appropriate.

(h) Information (including details of the calculation methodologies) relating to the cost of the policy or measure, to the extent possible.

Parties should use table 1 in appendix III below to summarize the information provided on policies and measures, with all fields of the table completed, to the extent possible.

25. Parties should report on action taken to implement commitments under Article 4.2(e)(ii) of the Convention, which requires that Parties identify and periodically review their own policies and practices which encourage activities that lead to greater levels of anthropogenic emissions of greenhouse gases not controlled by the Montreal Protocol than would otherwise occur. Parties should also provide the rationale for such actions in the context of their national circumstances.

26. Under Article 12.1(b), Parties may also briefly describe in a separate section of the national communication, policies and measures under consideration that have not yet been adopted.

Activities implemented jointly

27. Bearing in mind that a separate and distinct process for reporting on activities implemented jointly has been established by decision 5/CP.1, and by the adoption by the SBSTA at its second session of the initial framework for reporting activities implemented jointly, Parties may wish to include relevant summary information on activities implemented jointly.

Projections and assessment of effects of measures

28. In accordance with Article 4.2(b), national communications should include a projection of future greenhouse gas emission and removal levels. The projection should, to the extent possible, incorporate the effects of policies and measures that are implemented or committed to when the national communication is produced (that is, a "with measures" scenario). In the interest of transparency, Parties should include baseline projections, indicating, using table 1, which measures are included and which measures are additional to these baseline projections.

29. At a minimum, projections would be made of future emissions and removals of the following greenhouse gases: CO_2, CH_4, N_2O, PFCs, HFCs and SF_6. Parties are encouraged to provide projections of the indirect greenhouse gases CO, NO_x and NMVOCs, as well as sulphur oxides. Where methodological or data gaps exist, information should be presented in a transparent manner.

30. The Convention requires that Parties provide information on projected anthropogenic emissions by sources and removals by sinks (Article 4.2(b)) as well as specific estimates of the effects of policies and measures on those levels (Article 12.2(b)). An effective process for the consideration of such information requires that such projections be provided for at

least one common reference year. Taking account of the time period specified in Article 4.2(a), data should be provided for the year 2000. In view of the objective of the Convention and the intent to modify longer-term trends in emissions, Parties should also include projections on a quantitative basis for the years 2005 and 2010, and should make their best efforts to provide estimates for 2020, recognizing that uncertainties will vary from gas to gas and will be greater in more distant years.

31. While Parties should present the projection on a gas-by-gas basis, as indicated in paragraph 4 above, they should also disaggregate the results by sector.

32. Parties should summarize the projections data in accordance with the categorization in the summary tables of the IPCC Guidelines on National Greenhouse Gas Inventories, using tables 2 to 7 in appendix III below.

33. Parties are encouraged to include separately projections of emissions from international bunker fuels and/or provide information which will facilitate international projections of bunker fuel emissions.

34. Parties are encouraged to present projections from levels of emissions in 1990 -- or other base years for some Annex I Parties with economies in transition -- that are consistent with base year inventory data. Any differences should be explained.

35. In accordance with Article 12.2(b), national communications should provide a specific estimate of the total effect on greenhouse gas emissions and removals of policies and measures. This specific estimate should, to the extent possible, take into account all policies and measures implemented or committed to (as outlined in paragraph 20 above).

36. In addition, Parties should, wherever possible, provide estimates of the effect of individual policies and measures on future greenhouse gas emissions and removals. This section could also describe the effects of the sequence of the implementation of policies and measures or the effects of a combination of instrument types or synergies with other measures. Parties may also describe the mechanisms that lead to reductions, as well as how they arrived at their estimates.

37. In the interests of transparency, when projecting greenhouse gas emissions and removals, and estimating the specific and total effect of policies and measures on emissions and removals, Parties should:

(a) Be free to use the model(s) and/or approach(es) they are most familiar with and which, in their view, provide the most accurate results;

(b) Provide enough information to allow a third party to obtain a qualitative understanding of the model(s) and/or approach(es) used and their relationship to each other;

(c) Summarize strengths and weaknesses of the model(s) and/or approach(es) used and provide an indication of their scientific and technical credibility; and

(d) Ensure that the model(s) and/or approach(es) used account for any overlap or synergies that may exist between different policies and measures.

38. To ensure transparency, national communications should include enough information to provide a third party with a quantitative understanding of the key assumptions used to develop projection(s) of greenhouse gas emissions and removals and estimate(s) of the total effects of policies and measures on emissions and removals. Taking into account paragraph 6 above, values of key variables should be clearly presented for the base year and values of key assumptions for 2000, and for other years, preferably 1995, 2005, 2010 and 2020. Parties should also provide information for the base year and 2000 on other key outputs of the model(s) and/or approach(es) used. This could include, *inter alia*, projected energy balances. Parties should, to the extent possible, summarize key variables and assumptions by completing table 8 in appendix III below. In addition, Parties may draw upon the illustrative lists of possible key assumptions and outputs included in appendix I below.

39. If, in the projections analysis, Parties carry out any adjustments to base year emissions, for example for climate variations or trade patterns in electricity, these adjustments should be reported in a transparent manner, with clear indications of the method followed. Both adjusted and unadjusted data should be provided.

40. When providing a qualitative discussion of the uncertainty associated with the results of projections and specific estimates of effects (see paragraph 8 above), Parties are encouraged to present the findings of sensitivity analyses, illustrating how the results would be affected by changes in key assumptions.

Vulnerability assessment and adaptation measures

41. A communication should review briefly the expected impacts of climate change for the Party concerned and outline the actions taken to implement Article 4.1(b) and (e) with regard to adaptation. Parties are encouraged to use the IPCC Technical Guidelines for Assessing Climate Change Impacts and Adaptations. Parties could refer, *inter alia*, to integrated plans for coastal zone management, water resources and agriculture. Parties are also encouraged to report on specific results of scientific research in the field of vulnerability assessment and adaptation.

Financial resources and transfer of technology and know-how

42. In accordance with Article 12.3, Annex II Parties shall provide separately detailed information on the activities undertaken in 1994, 1995 and, if available, in 1996 to give effect to each of their different commitments under Article 4.3, 4.4, and 4.5, as follows:

(a) Indicate what "new and additional financial resources to meet the agreed full costs incurred by developing country Parties in complying with their obligations under Article 12, paragraph 1" have been provided. They shall indicate clearly how they have determined resources as being "new and additional";

(b) Provide, to the extent possible, detailed information on the provision of financial resources to meet the agreed full incremental costs incurred by developing countries in their implementation of measures covered under Article 4.1 of the Convention;

(c) Provide detailed information on the assistance provided for the purpose of assisting developing country Parties that are particularly vulnerable to the adverse effects of climate change in meeting the costs of adaptation to those adverse effects;

(d) Provide detailed information on measures taken to promote, facilitate and finance, as appropriate, the transfer of, or access to, environmentally sound technologies[d] and know-how to other Parties, particularly developing country Parties; and

(e) Report separately, to the extent possible, their activities for the financing of access by developing countries of "hard" or "soft" environmentally sound technologies, with reference to table 11 in appendix III below.

43. Parties shall, when reporting activities related to the promotion, facilitation and financing of the transfer of, or access to, environmentally sound technologies, clearly distinguish between activities undertaken by the public sector and by the private sector. Noting the need to be flexible in reporting private sector activities, Parties should indicate in what way activities by the private sector help meet the commitments of Parties under Article 4.3, 4.4 and 4.5 of the Convention.

44. When communicating information on the provision of financial resources, Annex II Parties shall distinguish between financial contributions to the interim operating entity of the financial mechanism, to regional and other multilateral institutions and programmes, and financial resources provided through bilateral channels to other Parties. These Parties should complete tables 9a, 9b, 10a and 10b contained in appendix III below.

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[d] The term "transfer of technology", as used in this note, encompasses practices and processes such as "soft" technologies, for example, capacity building, information networks, training and research, as well as "hard" technologies, for example, equipment to control, reduce or prevent anthropogenic emissions of greenhouse gases in the energy, transport, forestry, agriculture, and industry sectors, to enhance removals by sinks, and to facilitate adaptation.

Research and systematic observation

45. Pursuant to Articles 4.1(g), 5 and 12.1(b), Annex I Parties should communicate information on their actions relating to research and systematic observation. This could include, *inter alia*, information on:

(a) Research on the impacts of climate change;

(b) Modelling and prediction, including global circulation models;

(c) Climate process and climate system studies;

(d) Data collection, monitoring and systematic observation, including data banks;

(e) Socio-economic analysis, including analysis of both the impacts of climate change and response options; and

(f) Technology research and development.

46. The communications could address both domestic programmes and international programmes (for example, the World Climate Programme and the International Geosphere-Biosphere Programme), and the IPCC. They should also reflect actions taken to support related capacity-building in developing countries.

47. The communications should be limited to reporting on actions undertaken rather than the results of such efforts. For example, the results of research studies or model runs should not be included in this section.

Education, training and public awareness

48. In accordance with Articles 4.1(i), 6 and 12.1(b), Annex I Parties should communicate information on their actions relating to education, training and public awareness. This would include information on relevant domestic programmes and participation in international activities. For example, the extent of public participation in the preparation or domestic review of the national communication could be reflected.

Special considerations

49. Some Annex I Parties may, in the context of their communications, seek to be accorded "flexibility" or "consideration", in accordance with Article 4.6 and 4.10 of the Convention. If this were to be the case, those Parties should be expected to state clearly the special consideration they are seeking and to provide an adequate explanation of their circumstances.

Basic data (national circumstances)

50. Although not explicitly required by the Convention, a Party may wish to provide other information relevant to its greenhouse gas emission/removal profile. This would permit readers to put the information on its implementation of the Convention in context, could help to explain certain trends and would provide data valuable in the analysis and aggregation of the submissions. The information would tend to be "historical" in character, although the appropriate time period would vary from country to country. Relevant information could include the following:

(a) Population profile, for example, growth rates, population density and distribution, with some historical perspective (e.g. 1970-1990), and greenhouse gas emission per capita;

(b) Geographic profile;

(c) Climatic profile, for example, data on heating and cooling degree days and rainfall;

(d) Economic profile, for example, gross domestic product (GDP), GDP per capita (expressed in domestic currency and purchasing power parities (PPP)), GDP growth rates, GDP by sector, and imports and exports, agricultural subsidies, with some historical perspective (e.g. 1970-1990), and greenhouse gas emissions per GDP;

(e) Energy profile, for example, energy prices, energy taxes, energy subsidies, vehicle taxes, fuel taxes, electricity prices, information on the market structure of electricity, natural gas, coal and oil markets, energy consumption (by sector, fuel type, per capita, per unit of GDP), domestic production of energy as proportion of total domestic energy consumption, energy intensity and 1990 energy pricing for commercial and non-commercial consumers (including taxes), with some historical perspective (e.g. 1970-1990);

(f) Social profile, for example, information such as average dwelling size, number of vehicles per capita and per family unit, and personal and freight traffic (billions km/person) by type (air, rail, road and public/private);

(g) For sectors emitting large quantities of greenhouse gases, an outline of which level of government has responsibility for implementing which policies and measures that have an impact on greenhouse gas emissions; and

(h) Information relating to the application of and experience with indicators for performance in greenhouse gas mitigation. Such indicators might address overall national performance and sectoral/sub-sectoral performance.

51. Parties are encouraged to report emission estimates associated with exports of electricity in a separate category. Parties are also encouraged to report on the national generation from all sources by fuel and estimates of the average transmission losses. Exporting and importing countries are encouraged to report on the annual aggregate quantity of electricity trade in kilowatt hours, as well as to whom electricity was sent and the associated quantities (including associated transmission losses).

Structure and executive summary

52. The minimum set of information identified in these guidelines should be communicated by a Party to the Conference of the Parties in a single document. Any additional or supporting information may be supplied in the main document or through other documents such as a technical annex.

53. A communication should include an executive summary that would present the key information and data from the full document. The executive summaries will be translated and distributed widely. In view of the limits on translation, it would be useful to envisage an executive summary of no more than 10 pages.

54. Parties are encouraged to organize the information communicated according to the indicative outline provided in appendix II below.

Language

55. National communications may be submitted in one of the working languages of the United Nations. This would be without prejudice to the ulterior determination of official and working languages for the Conference of the Parties and its subsidiary bodies and for the Convention secretariat. Annex I Parties are also encouraged to submit, to the extent possible and where relevant, a translation of their communication into English.

Length

56. The length of a communication should be decided by the submitting Party. Every effort should be made to avoid overly lengthy communications in order to reduce the paper burden and to facilitate the consideration process. Parties are encouraged to provide electronic versions of communications which are compatible with the requirements of the secretariat.

Appendix I

Examples of key assumptions that may be required to project greenhouse gas emissions and removals or to estimate the specific effects of policies and measures and their costs

- GDP level (national currency) and annual growth rate (consistent with economic forecasts of the Party)
- Assumptions on exchange rates between the domestic currency and the United States dollar
- Population level (millions) and compound annual growth rate
- Interest rate and public sector discount rate, where available
- Annual rate of autonomous energy efficiency improvement in total and by sector
- Total housing, including turnover (number of dwellings)
- Commercial floor space, including turnover (thousands of square kilometres)
- Vehicle-kilometres travelled by vehicle type (thousands)
- Policy context (description of significant measures that reduce emissions or enhance removals that have been incorporated in the projection, as well as how they were incorporated)
- Rate of penetration and absolute levels of use of new end-use technologies

Examples of other key outputs that may be produced when projecting greenhouse gas emissions and removals or estimating the specific effects of policies and measures

- Primary energy production by fuel type (petajoules)
- Primary energy demand by fuel type, as well as electricity (petajoules)
- Energy demand by sector (petajoules)
- Final energy consumption by end-use (petajoules)
- Head of livestock (thousands by species)
- Rice cultivation (area cultivated in hectares)
- Nitrogen fertilizer and manure use (tonnes of nitrogen)
- Forest area cleared (thousands of hectares)
- Waste landfilled (tonnes)
- Waste water biochemical oxygen demand (kg)
- Energy imports/exports (petajoules)
- Primary energy per unit of production in the industrial and commercial sectors
- Energy consumption per square metre in the residential and commercial sectors
- Primary energy for transport (per tonne-km or passenger-km)
- Electricity and heat produced per unit of fuel used in thermal power stations

Appendix II

Indicative outline for presentation of information in communications

1. Executive summary
2. Introduction
3. National circumstances
4. Inventories of anthropogenic greenhouse gas emissions and removals
5. Policies and measures
6. Projections and effects of policies and measures
7. Expected impacts of climate change and vulnerability assessment
8. Adaptation measures
9. Financial assistance and technology transfer
10. Research and systematic observation
11. Education, training and public awareness

Appendix III

Table 1. Summary of policies and measures: CO_2

[1] Parties should use an asterisk (*) to indicate that a measure is not included in the baseline projection.

Name of policy/ measure1	Type of instrument	Objective and/or Method of achieving reduction (including description of how effects take place)	Sector	Status of implementation (planned/ implemented; legislation passed or not; status of funding)	Estimate of mitigation impact				Monitoring: intermediate indicator of progress
					2000	2005	2010	2020	
1.									
2. etc.									

Similar tables should be completed for CH_4, N_2O, NO_x, NMVOCs, CO, PFCs, SF_6 and HFCs, noting that if Parties do not provide projections for NO_x, NMVOCs and CO, they need not complete the columns on "estimate of mitigation impact" in the tables relating to these gases.

Table 2. Summary of projections of anthropogenic emissions of CO_2 (gigagrams)

	1990	1995	2000	2005	2010	2020
Fuel combustion: energy and transformation industries						
Fuel combustion: industry						
Fuel combustion: transport						
Fuel combustion: other						
Other						
Total						

Table 3. Summary of projections of removals of CO_2 by sinks and reservoirs (gigagrams)

	1990	1995	2000	2005	2010	2020
Agriculture						
Land-use change and forestry						
Other						
Total removals						

Table 4. Summary of projections of anthropogenic emissions of CH_4 (gigagrams)

	1990	1995	2000	2005	2010	2020
Fuel combustion						
Fugitive emissions from fuels						
Industrial processes						
Enteric fermentation						
Animal wastes						
Rice cultivation						
Waste						
Other						
Total						

Table 5. Summary of projections of anthropogenic emissions of N_2O (gigagrams)

	1990	1995	2000	2005	2010	2020
Transport						
Other energy sources						
Industrial processes						
Agriculture						
Waste						
Other						
Total						

Table 6. Summary of projections of anthropogenic emissions of other greenhouse gases (gigagrams)

	1990	1995	2000	2005	2010	2020
SF_6						
HFCs						
PFCs						
Other (specify)						

Table 7. Summary of projections of anthropogenic emissions of precursors and SO_x (gigagrams)

	1990	1995	2000	2005	2010	2020
CO						
NO_x						
NMVOCs						
SO_x						

Table 8. Summary of key variables and assumptions in the projections analysis

	1990	1995	2000	2005	2010	2020
World coal prices (US$/ton)						
World oil prices (US$/bbl)						
Domestic energy prices (by fuel type and for electricity) for different relevant sectors (e.g. residential, commercial and institutional; industry; transport)						
GDP (domestic currency)						
Population (millions)						
New vehicle efficiency (by vehicle type) (litres/100km)						
Average vehicle km travelled						
Primary energy demand (Petajoules)						
Index of manufacturing production (1990=100)						
Index of industrial production (1990=100)						
Other						

Table 9a. Financial contributions to the operating entity or entities of the financial mechanism, regional and other multilateral institutions and programmes

	Contributions (millions of US dollars)		
	1994	1995	1996*
Global Environment Facility			
Multilateral institutions 1. World Bank 2. International Finance Corporation 3. African Development Bank 4. Asian Development Bank 5. European Bank for Reconstruction and Development 6. Inter-American Development Bank 7. United Nations Development Programme 8. Other a) b) c)			
Multilateral scientific programmes 1. 2. 3. 4. 5.			
Multilateral technology programmes 1. 2. 3. 4. 5.			
Multilateral training programmes 1. 2. 3. 4. 5.			

* If available.

Table 9b. New and additional financial contributions to the operating entity or entities of the financial mechanism, regional and other multilateral institutions and programmes

	Contributions (millions of US dollars)		
	1994	1995	1996*
Global Environment Facility			
Multilateral institutions 1. World Bank 2. International Finance Corporation 3. African Development Bank 4. Asian Development Bank 5. European Bank for Reconstruction and Development 6. Inter-American Development Bank 7. United Nations Development Programme 8. Other a) b) c)			
Multilateral scientific programmes 1. 2. 3. 4. 5.			
Multilateral technology programmes 1. 2. 3. 4. 5.			
Multilateral training programmes 1. 2. 3. 4. 5.			

* If available.

Table 10a. Bilateral financial contributions related to the implementation of the Convention, 1994

(millions of US dollars)

	Mitigation						Adaptation	Other*
Recipient country	Energy	Transport	Forest	Agriculture	Waste management	Industry		
1.								
2.								
3.								
4.								
5.								
6.								
7.								
8.								
9.								
10.								
11.								
12.								
13.								
14.								
15.								
16.								
17.								
18.								
19.								
20. All other								

* For greenhouse gas inventories, as under Article 4.1(a).

Similar tables should be completed for 1995 and, if available, for 1996.

Table 10b. New and additional bilateral financial contributions related to the implementation of the Convention, 1994
(millions of US dollars)

	Mitigation						Adaptation	Other*
Recipient country	Energy	Transport	Forest	Agriculture	Waste management	Industry		
1								
2								
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								
16								
17								
18								
19								
20 All other								

* For greenhouse gas inventories, as under Article 4.1(a).

Similar tables should be completed for 1995 and, if available, for 1996.

Table 11. Projects or programmes that promote, facilitate and/or finance transfer of or access to "hard" and "soft" technologies

Project / programme title:			
Purpose:			
Recipient country	Sector	Total funding	Years in operation
Description:			
Ministry or company, contact person, address and phone number:			
Impact on greenhouse gas emissions/sinks (optional):			

This table should also be used be used to provide a detailed description of selected private sector projects or programmes that promote, facilitate and/or finance transfer of or access to "hard" and "soft" technologies in 1994, 1995 or, if available, in 1996, as described in paragraph 42 (e) of the above annex.

Decision 10/CP.2

Communications from Parties not included in Annex I to the Convention: guidelines, facilitation and process for consideration

The Conference of the Parties,

Recalling Article 12.1, 12.5 and 12.7 of the United Nations Framework Convention on Climate Change,

Recalling also its decision 8/CP.1 on first communications from Parties not included in Annex I to the Convention and decision 4/CP.1 on methodological issues,

Noting that, in accordance with Article 12.5 of the Convention, each Party not included in Annex I to the Convention shall make its initial communication within three years of the entry into force of the Convention for that Party, or of the availability of financial resources in accordance with Article 4.3, and that Parties that are least developed may make their initial communication at their discretion,

Recognizing that, in accordance with Article 4.7, the extent to which developing country Parties will effectively implement their commitments under the Convention will depend on the effective implementation by developed country Parties of their commitments under the Convention related to financial resources and transfer of technology, and will take fully into account that economic and social development and poverty eradication are the first and overriding priorities of the developing country Parties,

Having considered that from its first session, in accordance with Article 12.7, the Conference of the Parties shall arrange for the provision to developing country Parties of technical and financial support, on request, in compiling and communicating information under this Article, as well as in identifying the technical and financial needs associated with proposed projects and response measures under Article 4. Such support may be provided by other Parties, by competent international organizations and by the secretariat, as appropriate,

1. *Requests* the Convention secretariat:

(a) In accordance with Article 8.2(c), to facilitate assistance to Parties, particularly developing country Parties, in the preparation of their initial communications, through the organization of workshops at the regional level, to provide a forum for the exchange of experiences in the development of emission factors and activity data for the estimation of the

inventory, as well as, on request, for other elements of information in the initial communication; and to provide a report to the Subsidiary Body for Implementation and the Subsidiary Body for Scientific and Technological Advice at each of their sessions; and

(b) To make available to the Subsidiary Body for Implementation, at each of its sessions, details of the financial support made available to Parties not included in Annex I to the Convention (non-Annex I Parties) from the interim operating entity of the financial mechanism for the preparation of their initial communications, including projects in this regard proposed by each Party, the funding decision and the date and amount of funds made available to the Party;

2. *Decides*:

(a) That non-Annex I Parties should use the guidelines contained in the annex to the present decision when preparing their initial communications under the Convention;

(b) That the national and regional development priorities, objectives and circumstances of non-Annex I Parties should, in accordance with Article 4.1, and the provisions of Article 3 and Article 4.3, 4.4, 4.5, 4.7, 4.8, 4.9 and 4.10, be taken into account by the Conference of the Parties in considering matters related to their initial communications; and

(c) That non-Annex I Parties which wish to submit voluntarily additional information may use elements from the guidelines approved for Parties included in Annex I to the Convention when preparing their initial communications.

8th plenary meeting
19 July 1996

Annex

GUIDELINES FOR THE PREPARATION OF INITIAL COMMUNICATIONS BY PARTIES NOT INCLUDED IN ANNEX I TO THE CONVENTION

1. The guidelines for the preparation of initial communications by Parties not included in Annex I to the Convention (non-Annex I Parties) have five principal objectives, taking into account Article 4.7:

(a) To assist non-Annex I Parties in meeting their commitments under Article 12.1;

(b) To encourage the presentation of information in ways that are, to the extent possible, consistent, transparent and comparable as well as flexible, and to take into account specific national situations and requirements for support to improve the completeness and reliability of activity data, emission factors and estimations;

(c) To serve as policy guidance to the interim operating entity of the financial mechanism for the timely provision of financial support needed by the developing country Parties to meet the agreed full costs in complying with their obligations under Article 12.1, as referred to in decision 11/CP.2;

(d) To facilitate the process of preparation, compilation and consideration of the communications, including the preparation of compilation and synthesis documentation; and

(e) To ensure that the Conference of the Parties has sufficient information to carry out its responsibilities to assess the overall aggregated effects of the steps taken by the Parties in the light of the latest scientific assessments concerning climate change, and to assess the implementation of the Convention.

Scope

2. In accordance with Article 12.1, the communication should include:

(a) A national inventory of anthropogenic emissions by sources and removals by sinks of all greenhouse gases not controlled by the Montreal Protocol, to the extent its capacities permit, using comparable methodologies to be promoted and agreed upon by the Conference of the Parties;

(b) A general description of steps taken or envisaged by the Party to implement the Convention; and

(c) Any other information that the Party considers relevant to the achievement of the objective of the Convention and suitable for inclusion in its communication, including, if feasible, material relevant for calculations of global emission trends.

National circumstances

3. In presenting the information, non-Annex I Parties should specify their national and regional development priorities, objectives and circumstances on the basis of which they will address climate change and its adverse impacts. The description of these circumstances can cover a wide range of information. In addition to information which can be conveniently presented in a table (see table I below), Parties may present basic economic, geographic and climatic information, as well as other factors relevant to climate change of any nature, such as, for example, features of their economy which may affect their ability to deal with climate change.

4 Parties may provide a brief description of existing institutional arrangements which are relevant to the preparation of the inventory on a continuing basis, or a list of perceived deficiencies in this area.

5 Parties may also present information on their specific needs and concerns arising from the adverse effects of climate change and/or the impact of the implementation of response measures, specially on:

(a) Small island countries;

(b) Countries with low-lying coastal areas;

(c) Countries with arid and semi-arid areas, forested areas and areas liable to forest decay;

(d) Countries with areas prone to natural disasters;

(e) Countries with areas liable to drought and desertification;

(f) Countries with areas of high urban atmospheric pollution;

(g) Countries with areas with fragile ecosystems, including mountainous ecosystems;

(h) Countries whose economies are highly dependent on income generated from the production, processing and export, and/or on consumption of fossil fuels and associated energy-intensive products;

(i) Landlocked and transit countries; and

(j) Other special considerations foreseen in Article 4.9 (least developed countries) and Article 4.10 (fossil-fuel dependency), as appropriate.

6. In presenting the information, wherever applicable, Parties should present numerical indicators. For example, they might present data expressed in terms of affected percentage of land area, population, gross domestic product (GDP), etc.

Inventory

7. There is a clear need for adequate and additional financial resources, technical support and technology transfer to supplement the efforts towards capacity building for preparation of the national inventories.

8. The Guidelines for the National Greenhouse Gas Inventories and Technical Guidelines for Assessing Climate Change Impacts and Adaptation or the simplified default methodologies adopted by the Intergovernmental Panel on Climate Change (IPCC) should be used by non-Annex I Parties, as appropriate and to the extent possible, in the fulfilment of their commitments under the Convention.

9. Information should be provided on the following greenhouse gases: carbon dioxide (CO_2), methane (CH_4) and nitrous oxide (N_2O), to the extent the Party's capacities permit. In addition, Parties are encouraged to include in their national inventories the fully-fluorinated compounds, as appropriate. Other greenhouse gases included in the IPCC methodology may be included at the discretion of the Parties. Emissions from bunker fuels should be reported separately from national emissions.

10. Parties should strive to present the best available data in a table (see table II below), to the extent their capacities permit, and try to identify the areas where the data may be further improved in future communications through national capacity building. Additional information, such as, for example, expression of the results in terms of socio-economic, geographical indicators deemed relevant by each country, may also be provided.

11. As recognized by the IPCC in its Second Assessment Report, there is still great uncertainty associated with net anthropogenic emissions resulting from activities other than combustion of fossil fuels. Such activities include, *inter alia*, methane emissions from agriculture and waste sectors, coal mining, biomass burning; carbon dioxide emissions from land use change and forestry; and nitrous oxide emissions from all sectors. Since the emissions resulting from these activities depend on local circumstances, and make up a large proportion of the national emissions of non-Annex I Parties, such Parties should make efforts to obtain field observation data to decrease the uncertainties associated with the inventory of these emissions, taking into account the further development of the IPCC methodology.

12. It is further recognized that such improvement of the quality of emission data, in addition to improving the transparency and comparability of national emissions inventories, also improves knowledge of the relationship between global emissions and resulting atmospheric concentration of greenhouse gases, and therefore aids significantly the task of estimating the emission limitations or reductions required to achieve a given concentration level of greenhouse gases, the ultimate objective of the Convention.

13. Non-Annex I Parties are thus encouraged to formulate cost-effective national, and where appropriate regional, programmes aiming at the improvement of the quality of local emission factors and appropriate data gathering, and to submit requests for financial and technical assistance to the interim operating entity of the financial mechanism of the Convention in addition to their request for support for the preparation of their initial communications.

14. Non-Annex I Parties should provide the best available data in their inventory. To this end such data should be provided for the year 1994. Alternatively, non-Annex I Parties may provide such data for the year 1990.

General description of steps

15. In accordance with Article 12.1, each non-Annex I Party should communicate a general description of steps taken or envisaged by the Party to implement the Convention. Taking into account the chapeau of Article 4.1, the initial communication should seek to include, as appropriate:

(a) Programmes related to sustainable development, research and systematic observation, education and public awareness, training, etc;

(b) Policy options for adequate monitoring systems and response strategies for climate change impacts on terrestrial and marine ecosystems;

(c) Policy frameworks for implementing adaptation measures and response strategies in the context of coastal zone management, disaster preparedness, agriculture, fisheries, and forestry, with a view to integrating climate change impact information, as appropriate, into national planning processes;

(d) In the context of undertaking national communications, building of national, regional and/or sub-regional capacity, as appropriate, to integrate climate change concerns in medium and long-term planning;

(e) Programmes containing measures the Party believes contribute to addressing climate change and its adverse impacts, including the abatement of increase in greenhouse gas emissions and enhancement of removals by sinks.

Other information

16. In accordance with Article 12.7 the Conference of the Parties should use the information in initial communications in arranging for the provision to developing country Parties of technical and financial support, on request, in compiling and communicating information under Article 12, as well as in identifying the technical and financial needs associated with proposed projects and response measures under Article 4.

17. Developing country Parties may, in accordance with Article 12.4, on a voluntary basis, propose projects for financing, including specific technologies, materials, equipment, techniques or practices that would be needed to implement such projects, along with, if possible, an estimate of all incremental costs, of the reductions of emissions and increments of removals of greenhouse gases, as well as an estimate of the consequent benefits.

18. Non-Annex I Parties may provide any other information relevant to the achievement of the objective of the Convention, including, if feasible, material relevant for calculation of global emission trends, constraints and obstacles, etc.

Financial and technological needs and constraints

19. Non-Annex I Parties may describe the financial and technological needs and constraints associated with the communication of information. In particular, and following the recommendations of the Conference of the Parties that have evolved through its subsidiary bodies, the description may cover needs and constraints associated with the further improvement of national communications, including reduction of the margin of uncertainty in emission and removal variables through appropriate institutional and capacity-building.

20. According to national priorities, non-Annex I Parties may include a description of financial and technological needs associated with activities and measures envisaged under the Convention.

21. Information on national technological needs related to measures to facilitate adequate adaptation to climate change may be included in the communication.

22. Information on relevant financial and technological needs relating to the assessment of national, regional and/or sub-regional vulnerability to climate change may be added in the communication. This may include, where appropriate, information related to data-gathering systems to measure climate change effects in particularly vulnerable countries or regions or to strengthen such systems; and identification of a near-term research and development agenda to understand sensitivity to climate change.

23. There is a need to take into full consideration the circumstances and vulnerabilities of developing country Parties, keeping in mind that the extent to which developing countries will effectively implement their commitments under Convention will depend on the effective

implementation by developed countries of their commitments under the Convention related to financial resources and transfer of technology.

Timing of submission of the initial communication

24. In accordance with Article 12.5, the timing of submission of the initial communication is within three years of entry into force of the Convention for that Party or of the availability of financial resources in accordance with Article 4.3.

Structure and executive summary

25. The information provided in accordance with these guidelines should be communicated by a Party to the Conference of the Parties in a single document. Any additional or supporting information may be supplied through other documents such as a technical annex.

26. The initial communication should include an executive summary that would present the key information and data from the full document. The executive summary will be translated and distributed widely. It would be useful to envisage an executive summary of no more than 10 pages.

Language

27. The communications may be submitted in one of the official languages of the United Nations. Non-Annex I Parties are also encouraged to submit, to the extent possible and where relevant, a translation of their communications into English.

Table I. National circumstances

Criteria	1994
Population	
Relevant areas (square kilometres)	
GDP (1994 US$)	
GDP per capita (1994 US$)	
Estimated share of the informal sector in the economy in GDP (percentage)	
Share of industry in GDP (percentage)	
Share of services in GDP (percentage)	
Share of agriculture in GDP (percentage)	
Land area used for agricultural purposes (square kilometres)	
Urban population as percentage of total population	
Livestock population (disaggregate as appropriate)	
Forest area (square kilometres, define as appropriate)	
Population in absolute poverty	
Life expectancy at birth (years)	
Literacy rate	

Note: Parties may also report on the rate of change of the above indicators to the extent possible; data in this table should be as disaggregated as possible and include information on individual sectors.

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Forest area (square kilometres, define as appropriate)	
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Literacy rate	

Note: Parties may also report on the rate of change of the above indicators to the extent possible; data in this table should be as disaggregated as possible and include information on individual sectors.

Table II. Initial national greenhouse gas inventories of anthropogenic emissions by sources and removals by sinks of all greenhouse gases not controlled by the Montreal Protocol

Greenhouse Gas Source and Sink Categories	CO_2	CH_4	N_2O
Total (Net) National Emission (Gigagram per year)	X	X	X
1. All Energy	X	X	X
Fuel combustion			
Energy and transformation industries	X		X
Industry	X		
Transport	X		
Commercial-institutional	X		
Residential	X		
Other (please specify)	X	X	
Biomass burned for energy		X	
Fugitive Fuel Emission			
Oil and natural gas systems		X	
Coal mining		X	
2. Industrial Processes	X		X
3. Agriculture		X	X
Enteric Fermentation		X	
Rice Cultivation		X	
Savanna Burning		X	
Others (please specify)		X	X
4. Land Use Change and Forestry	X		
Changes in Forest and other woody biomass stock	X		
Forest and Grassland Conversion	X		
Abandonment of Managed Lands	X		
5. Other Sources as appropriate and to the extent possible (please specify)	X	X	X

Note 1: X - Data to be presented to the extent the Party's capacities permit (Article 12.1(a)).
Note 2: Non-Annex I national communications will include the information in this table, and a description of assumptions and methods used, and the values of emission coefficients, where these differ from IPCC assumptions, methods and values.
Note 3: Efforts should be made to report the estimated range of uncertainty, where appropriate.

Decision 11/CP.2

Guidance to the Global Environment Facility

The Conference of the Parties,

Recalling Article 11.1 and 11.3 of the United Nations Framework Convention on Climate Change,

Recalling also Articles 12.5, 4.3, 4.7 and 4.8 thereof,

Bearing in mind its decision 11/CP.1 on initial guidance on policies, programme priorities and eligibility criteria to the operating entity or entities of the financial mechanism and its conclusions reached at its second session,

Noting the report of the Global Environment Facility to the Conference of the Parties at its second session (FCCC/CP/1996/8),

Expressing concern over the difficulties encountered by developing country Parties in receiving the necessary financial assistance from the Global Environment Facility owing to, *inter alia*, the application of the Global Environment Facility operational policies on eligibility criteria, disbursement, project cycle and approval, the application of its concept of incremental costs, and guidelines which impose considerable administrative and financial costs on developing country Parties,

Also expressing concern over the difficulties encountered by these Parties in seeking funds from the Global Environment Facility, as the interim operating entity of the financial mechanism of the Convention, for the preparation of their initial national communications,

Welcoming the information by the Global Environment Facility on its efforts to ensure that funding activities are in conformity with guidance provided by the Conference of the Parties and, in particular, its expedited procedures to support enabling activities in the climate change focal area,

1. *Decides* to adopt the following guidance to the Global Environment Facility, as the interim operating entity of the financial mechanism of the Convention. In this regard, the Global Environment Facility should:

(a) In the initial period, implement strategies on enabling activities in accordance with decision 11/CP.1 which facilitate endogenous capacity-building, including data collection and archiving, consistent with the policy guidance, programme priorities and eligibility criteria provided to it by the Conference of the Parties;

(b) In providing the financial resources needed by developing country Parties to meet the agreed full incremental costs of implementing measures covered by Article 4.1 of the Convention in accordance with Article 4.3, take steps to facilitate this provision of financial resources, including the enhancement of transparency and the flexible and pragmatic application of its concept of incremental costs on a case-by-case basis;

(c) Together with its implementing agencies, expedite the approval and the disbursement of financial resources to meet the agreed full costs incurred by the developing country Parties in complying with their obligations under Article 12.1 of the Convention, in accordance with Article 4.3, and in particular for the initial and subsequent preparation of national communications of non-Annex I Parties. In this regard, the guidelines and format adopted by the Conference of the Parties at its second session on the preparation of initial national communications by non-Annex I Parties contained in decision 10/CP.2 shall form the basis for the funding of communications from non-Annex I Parties under Article 12.1 of the Convention;

(d) Consider country-specific needs and other approaches which may be used for several countries with similar needs, upon request, and take into account that the preparation of national communications is a continuing process;

(e) When funding the agreed full costs for the preparation of national communications from non-Annex I Parties, finance the agreed full incremental costs of projects related to other commitments contained in the Convention only upon request of the Party concerned;

2. *Invites* developing country Parties that are interested in receiving assistance for enabling activities, in particular for the preparation of national communications in accordance with Article 12 of the Convention, to avail themselves of the financial resources being made available from the financial mechanism for such purposes;

3. *Requests* the Global Environment Facility, as the interim operating entity of the financial mechanism, to report to the Conference of the Parties at its third session on the

implementation of this guidance, including on experience gained in the application of the concept of agreed full incremental costs;

4. *Requests* the Subsidiary Body for Implementation at its fifth session to undertake the review process referred to in decision 9/CP.1 and to report on the outcome to the Conference of the Parties at its third session.

8th plenary meeting
19 July 1996

Decision 12/CP.2

Memorandum of Understanding between the Conference of the Parties and the Council of the Global Environment Facility

The Conference of the Parties,

Recalling Article 11.3 of the United Nations Framework Convention on Climate Change,

Recalling also its decision 9/CP.1 on the maintenance of the interim arrangements referred to in Article 21, paragraph 3, of the Convention,

Having considered the recommendation of the Subsidiary Body for Implementation,

1. *Takes note* of Part Two, section III (a), paragraph 5, of the report of the Conference of the Parties at its first session,[4] which states that the Conference of the Parties should receive and review at each of its sessions a report from the Global Environment Facility;

2. *Adopts* the Memorandum of Understanding annexed to the present decision, thereby bringing it into force;

3. *Requests* the Executive Secretary to inform the Council of the Global Environment Facility of this decision.

8th plenary meeting
19 July 1996

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[4] FCCC/CP/1995/7/Add.1.

Annex

MEMORANDUM OF UNDERSTANDING BETWEEN THE CONFERENCE OF THE PARTIES TO THE UNITED NATIONS FRAMEWORK CONVENTION ON CLIMATE CHANGE AND THE COUNCIL OF THE GLOBAL ENVIRONMENT FACILITY

This Memorandum of Understanding is concluded between the Conference of the Parties (hereinafter referred to as "the COP") to the United Nations Framework Convention on Climate Change (hereinafter referred to as "the Convention") and the Council of the Global Environment Facility (hereinafter referred to as the "Council of the GEF"), the international entity entrusted on an interim basis with the operation of the financial mechanism referred to in Article 11 of the Convention.

INTRODUCTION

The Parties to this Memorandum of Understanding,

Recalling Article 11 of the Convention and recognizing that the financial mechanism is to provide financial resources on a grant and concessional basis, including for the transfer of technology, and is to function under the guidance of and be accountable to the COP, which shall decide on its policies, programme priorities and eligibility criteria related to the Convention,

Recalling Article 11.1 which states that the operation of the financial mechanism shall be entrusted to one or more existing international entities,

Recalling also the decision of the first session of the COP on the maintenance of the interim arrangements referred to in Article 21.3 that the restructured GEF shall continue, on an interim basis, to be the international entity entrusted with the operation of the financial mechanism, referred to in Article 11,

Recalling further the willingness of the GEF to serve for the purposes of the financial mechanism of the Convention as provided in paragraph 6 of the Instrument for the Establishment of the Restructured Global Environment Facility (hereinafter referred to as "the Instrument"),

Recalling that, in accordance with Article 11.3, the COP and the entity or entities entrusted with the operation of the financial mechanism shall agree upon arrangements to give effect to Article 11.1 and 11.2,

Recalling further that, in accordance with paragraph 27 of the Instrument, the Council of the GEF is to consider and approve cooperative arrangements with the COP,

Have agreed as follows:

Purpose of arrangements

1. The purpose of this Memorandum is to give effect to the respective roles and responsibilities of the COP, the supreme body of the Convention, and the GEF, the international entity entrusted with the operation of the financial mechanism and to provide for the required interaction between them under Article 11 of the Convention and paragraphs 26 and 27 of the Instrument.

Determination and communication of guidance from the COP

2. The COP will, pursuant to Article 11.1, decide on policies, programme priorities and eligibility criteria related to the Convention for the financial mechanism which shall function under the guidance of and be accountable to the COP.

3. The COP will, after each of its sessions, communicate to the Council of the GEF any policy guidance approved by the COP concerning the financial mechanism.

Conformity with COP guidance

4. The Council will ensure the effective operation of the GEF as a source of funding activities for the purposes of the Convention in conformity with the guidance of the COP. It will report regularly to the COP on its activities related to the Convention and on the conformity of those activities with the guidance received from the COP.

Reconsideration of funding decisions

5. The funding decisions for specific projects should be agreed between the developing country Party concerned and the GEF in conformity with policy guidance from the COP. The Council of the GEF is responsible for approving the GEF work programmes. If any Party considers that a decision of the Council regarding a specific project in a proposed work programme does not comply with the policies, programme priorities and eligibility criteria established by the COP in the context of the Convention, the COP should analyse the observations presented to it by the Party and take decisions on the basis of compliance with such policies, programme priorities and eligibility criteria. In the event that the COP considers that this specific project decision does not comply with the policies, programme

priorities and eligibility criteria established by the COP, it may ask the Council of the GEF for further clarification on the specific project decision and in due time may ask for a reconsideration of that decision.

Reports from the GEF to the COP

6. Annual reports of the GEF will be made available to the COP through its secretariat. Other official public documentation of the GEF will also be made available to the COP through its secretariat. In order to meet the requirement of its accountability to the COP, the Annual Report of the GEF will cover all GEF-financed activities carried out in implementing the Convention, whether such activities are carried out by the GEF Implementing Agencies, the GEF Secretariat or by executing agencies implementing GEF-financed projects. To this end, the Council of the GEF will require all such bodies, with respect to GEF-financed activities, to comply with GEF policy on disclosure of information.

7. In its reporting on GEF-financed activities under the financial mechanism, the GEF should include specific information on how it has applied the guidance and decisions of the COP in its work related to the Convention. This report should be of a substantive nature and incorporate the programme of GEF activities in the areas covered by the Convention and an analysis of how the GEF, in its operations related to the Convention, has implemented the policies, programme priorities and eligibility criteria established by the COP. In particular, a synthesis of the different projects under implementation and a listing of the projects approved by the Council in the climate change focal area as well as a financial report with an indication of the financial resources required for those projects should be included. The Council should also report on its monitoring and evaluation activities concerning projects in the climate change focal area.

8. The Council of the GEF may seek guidance from the COP on any matter it considers relevant to the operation of the financial mechanism of the Convention.

Determination of funding necessary and available

9. In accordance with Article 11.3(d) of the Convention, which calls for arrangements to determine in a predictable and identifiable manner the amount of funding necessary and available for the implementation of the Convention and the conditions under which that amount shall be periodically reviewed, the COP and the Council shall jointly determine the aggregate GEF funding requirements for the purpose of the Convention. Procedures to facilitate such a joint determination will be developed by the COP and the Council and annexed to this Memorandum.

Cooperation between secretariats

10. The secretariats of the Convention and of the GEF shall cooperate and exchange on a regular basis views and experiences necessary to facilitate the effectiveness of the financial mechanism in assisting Parties to implement the Convention.

Representation in meetings of governing bodies

11. The participation of representatives of the Council of the GEF in meetings of the COP and of its subsidiary bodies will be governed by the rules of procedure of the COP. Likewise, the participation of representatives of the Convention in meetings of the Council of the GEF will be determined in accordance with the rules of procedure of the Council of the GEF. In formulating and applying its rules, each organization will make every effort to accord the other organization reciprocal representation privileges.

Review and evaluation of the financial mechanism

12. The COP will periodically review and evaluate the effectiveness of all modalities established in accordance with Article 11.3. Such evaluations will be taken into account by the COP in its decision, pursuant to Article 11.4, on arrangements for the financial mechanism.

Modification of the Memorandum of Understanding

13. This Memorandum of Understanding may only be modified in writing by agreement between the COP and the Council of the GEF.

Entry into effect

14. This Memorandum of Understanding shall come into force upon its approval by the COP of the Convention and the Council of the GEF.

Termination

15. This Memorandum of Understanding may be terminated by either Party giving six months' notice in writing to the other.

Decision 13/CP.2

Memorandum of Understanding between the Conference of the Parties and the Council of the Global Environment Facility: annex on the determination of funding necessary and available for the implementation of the Convention

The Conference of the Parties,

Recalling Article 11.3 of the United Nations Framework Convention on Climate Change,

Recalling also its decision 9/CP.1 on the maintenance of the interim arrangements referred to in Article 21, paragraph 3, of the Convention and decision 10/1 on arrangements between the Conference of the Parties and the operating entity or entities of the financial mechanism,

Having adopted the Memorandum of Understanding between the Conference of the Parties and the Council of the Global Environment Facility in decision 12/CP.1,

1. *Decides* to refer the text of the annex on the determination of funding necessary and available for the implementation of the Convention adopted by the Council of the Global Environment Facility and the draft annex submitted by the Group of 77 and China (FCCC/SBI/1996/L.4) for consideration by the Subsidiary Body for Implementation at its next session;

2. *Invites* Parties to submit any additional comments on the matter to the Convention secretariat by 30 September 1996;

3. *Requests* the Subsidiary Body for Implementation to report to the Conference of the Parties on the outcome of this matter.

8th plenary meeting
19 July 1996

Decision 14/CP.2

Establishment of the permanent secretariat and arrangements for its functioning

The Conference of the Parties,

Having considered the report of the Executive Secretary on this subject,[1]

I. Administrative arrangements

1. *Takes note* with appreciation of the arrangements for United Nations administrative support to the Convention secretariat, including the financing of full administrative support from the proceeds of the overhead charge and *notes* that additional resources are expected to be made available for this purpose from the overhead charge on supplementary contributions;

II. Conference servicing

2. *Takes note* with appreciation of General Assembly resolution 50/115, paragraphs 8, 9 and 10, regarding the financing, from the regular programme budget of the United Nations, of the conference servicing costs arising from sessions of the Conference of the Parties and its subsidiary bodies;

3. *Takes note* of General Assembly resolution 50/232 on the budgeting of conference servicing and *requests* the Executive Secretary to keep Parties informed of any further decisions of the General Assembly, and their implications;

III. Senior posts

4. *Takes note* of the outcome of the consultations with the Secretary-General of the United Nations on the levels of remuneration of the post of the head of the Convention secretariat and of the two other senior posts in the approved staffing table for the core budget;

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[1] FCCC/CP/1996/6 and Add. 1-3.

5. *Takes note* with appreciation of the appointment of the Executive Secretary for two years from 1 January 1996 at the level of Assistant Secretary-General of the United Nations;

6. *Recalls* its decision to review at its third session the levels of remuneration of the three senior posts;

IV. Review

7. *Requests* the Executive Secretary to report to the Subsidiary Body for Implementation at its fifth session on the results of the 1996 review of administrative support and of the Secretary-General's report to the fifty-first session of the General Assembly on the implementation of resolution 50/115.

V. Focal points and liaison arrangements

8. *Takes note* of the secretariat's plans for administrative and other liaison arrangements in Geneva until the end of 1997;

9. *Requests* Parties that have not yet done so to communicate to the secretariat their decision on the designation of focal points, as well as any need for liaison arrangements between their focal point and the secretariat in Bonn, so as to enable the Executive Secretary, in conjunction with other Convention secretariats and United Nations bodies, to explore the availability, cost, and funding of suitable liaison arrangements in Geneva and/or New York, and to report thereon to the Subsidiary Body for Implementation at its fifth session;

VI. Appreciation

10. *Expresses* its deep appreciation to the Government of Germany and the city of Bonn for the excellent facilities and support they are providing to the secretariat and looks forward to a smooth transition to the new location of the secretariat in Bonn.

8th plenary meeting
19 July 1996

Decision 15/CP.2

Agreement concerning the headquarters of the Convention secretariat

The Conference of the Parties,

Recalling its decision 16/CP.1 of 7 April 1995 accepting "the offer of the Government of the Federal Republic of Germany to host the Convention secretariat",

Recalling also that the Conference of the Parties, by its decision 14/CP.1, decided that the Convention secretariat should be institutionally linked to the United Nations, while not being fully integrated in the work programme and management structure of any particular department or programme, and decided further to review the functioning of the institutional linkage of the Convention secretariat to the United Nations, not later than 31 December 1999, in consultation with the Secretary-General, with a view to making such modifications as may be considered desirable by both parties,

1. *Approves* the conclusions of the Subsidiary Body for Implementation adopted at its second session on 8 March 1996 (FCCC/SBI/1996/9, para. 66), and the Agreement signed in Bonn on 20 June 1996 concerning the headquarters of the Convention secretariat (FCCC/CP/1996/MISC.1);

2. *Concludes* that the Conference of the Parties should consider, in the context of the review of the functioning of the institutional linkage of the Convention secretariat to the United Nations, whether the functions that have to be carried out by the secretariat necessitate that it be given juridical personality on the international plane.

8th plenary meeting
19 July 1996

Decision 16/CP.2

Income and budget performance, and resource deployment for 1997

The Conference of the Parties,

Recalling its decision 17/CP.1, whereby it requested the head of the secretariat to report to the Conference of the Parties on income and budget performance, and to propose any adjustment that might be needed in the Convention budget for 1996-1997,

Having considered the related report of the Executive Secretary,[1]

I. Core Budget Fund

1. *Notes* that the net total requirements for the biennium 1996/1997 are currently estimated at $13,573,500;

2. *Requests* the Executive Secretary to communicate to all Parties, by 1 November 1996, the indicative contributions payable for 1997, in the light of the above estimates and of contributions already made in 1996;

3. *Urges* Parties that have not paid their 1996 contributions to do so without further delay, and urges all Parties to pay their 1997 contributions when they fall due on 1 January 1997;

4. *Notes* that the revised estimates for the biennium continue to be based on, *inter alia*, the assumption that the costs of conference servicing will be financed from the regular budget of the United Nations, and requests the Executive Secretary to monitor related developments and report thereon as required;

5. *Takes note* that the Executive Secretary has responded and will continue to respond to evolving demands on core budget resources by using staff in a flexible manner and by redeploying them as needed within available resources and within the limits established by paragraph 5 of decision 17/CP.1;

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[1] FCCC/CP/1996/7 and Add.1.

6. *Decides* to maintain the level of the working capital reserve at 8.3 per cent of estimated expenditure for 1997, and to review that level at its third session;

II. Trust Fund for Participation in the UNFCCC process

7. *Takes note* of the information provided by the Executive Secretary on this Trust Fund in his report;

8. *Decides* to finance from the Fund the following activities, subject to availability of resources:

(a) The participation of representatives of eligible Parties in any meetings of such expert bodies as may be specifically convened by the Conference of the Parties or its subsidiary bodies;

(b) The participation of representatives of eligible Parties in intersessional meetings of the Bureaux of the Conference of the Parties or of its subsidiary bodies; and the participation of Bureau members in consultations or official meetings related to the Convention process.

9. *Invites* all Parties to continue to make contributions to this Fund;

III. Trust Fund for Supplementary Activities

10. *Takes note* of the information provided by the Executive Secretary on this Trust Fund in his report;

11. *Expresses* its appreciation to the Government of Germany for the special contribution made to this Fund for each of the years 1996 and 1997;

12. *Invites* all Parties to continue to make contributions to this Fund;

IV. Trust Funds established under General Assembly Resolution 45/212

13. *Expresses* its appreciation for the generous contributions, amounting to $13,126,768, made during the lifetime of these Funds, which have considerably assisted the development of the Convention process;

V. Follow-up action

14. *Requests* the Executive Secretary to submit to the Conference of the Parties at its third session, through the Subsidiary Body for Implementation, a further report on financial performance for the biennium 1996/1997;

15. *Further requests* the Executive Secretary to provide to the Subsidiary Body for Implementation, at its fifth session in February/March 1997, some perspective of estimated financial requirements for the biennium 1998/1999.

8th plenary meeting
19 July 1996

Decision 17/CP.2

Volume of documentation

The Conference of the Parties

1. *Calls* on all Parties to limit, to the extent possible, requests for additional documentation, and also the volume of comments submitted for consideration by the Conference of the Parties or its subsidiary bodies;

2. *Requests* the Executive Secretary to limit, to the extent possible, the number and length of documents produced by the secretariat;

3. *Requests* the Executive Secretary to submit to the Subsidiary Body for Implementation, at its fifth session, further options for reducing the cost of documentation for the meetings of the Conference of the Parties and its subsidiary bodies.

8th plenary meeting
19 July 1996

II. RESOLUTION ADOPTED BY THE CONFERENCE OF THE PARTIES

Resolution 1/CP.2

Expression of gratitude to the Government of Switzerland

The Conference of the Parties

1. *Expresses its profound gratitude* to the Government of Switzerland for facilitating the work of the Convention process since 1991, and for the hospitality and warm welcome extended to the participants at its second session;

2. *Also expresses its gratitude* to the relevant authorities of the Swiss Confederation and of the Republic and Canton of Geneva for all that they have done and continue to do to provide the Convention secretariat with a supportive working environment in the city of Geneva.

9th plenary meeting
19 July 1996

III. OTHER ACTION TAKEN BY THE CONFERENCE OF THE PARTIES

1 Action by the Depositary of the Convention

At its 2nd plenary meeting, on 8 July 1996, the Conference of the Parties requested the secretariat to report in due course to the Parties to the Convention, through the Subsidiary Body for Implementation, on the results of its consultations with the United Nations Office of Legal Affairs and on any action taken by the Depositary in response to the request from the Czech Republic and Slovakia that the name of Czechoslovakia be deleted from Annex I to the Convention, and that the names of the Czech Republic and the Slovak Republic be included in Annex I (see Part One, section II A, para. 10, of the present report).

2 Intergovernmental technical advisory panel(s)

At its 2nd plenary meeting, on 8 July 1996, the Conference of the Parties decided to request the Subsidiary Body for Scientific and Technological Advice to revert to the question of the establishment of international technical advisory panel(s), at a future session to be specified, in the light of any experience gained from the operation of any future roster of experts (see Part One, section VI A, para. 62, of the present report).

3 Special session of the General Assembly on Agenda 21

At its 4th plenary meeting, on 12 July 1996, the Conference of the Parties decided, in response to the invitation by the General Assembly in its resolution 50/113 to provide an input to its special session on Agenda 21, to request the Subsidiary Body for Implementation to consider this matter at its fifth session, in February 1997, and to provide an input to the special session of the General Assembly on behalf of the Conference of the Parties. It further requested the Convention secretariat to submit a brief report to the Subsidiary Body for Implementation, to facilitate its work on such an input (see Part One, section VIII, para. 69, of the present report).

4 Division of labour between the Subsidiary Body for Implementation and the Subsidiary Body for Scientific and Technological Advice

At its 4th plenary meeting, on 12 July 1996, the Conference of the Parties decided to take up, at its third session, the question of the division of labour between the Subsidiary Body for Implementation and the Subsidiary Body for Scientific and Technological Advice, on the basis of recommendations made to it by the Chairmen of the two subsidiary bodies (see Part One, section II F, para. 24, of the present report).

5. The Geneva Ministerial Declaration

At its 7th plenary meeting, on 18 July 1996, the Conference of the Parties took note of the Geneva Ministerial Declaration and agreed that it should be annexed to the report of the Conference (see Part One, section IV, paras. 41 and 45, of the present report). For the text of the Declaration, see the annex below. For statements made in this connection, see Part One, annex IV, of the present report.

6. Calendar of meetings

At its 9th plenary meeting, on 19 July 1996, the Conference of the Parties, noting the recommendation of the Bureau that the SBSTA, the SBI and the Ad Hoc Group on Article 13 should not meet concurrently with the third session of the Conference of the Parties, agreed to the following calendar of meetings proposed by the Executive Secretary on the basis of discussions in the Bureau. The Conference also agreed that the Bureau would keep the calendar under review. (See Part One, section II G, para. 25, of the present report).

Subsidiary Body for Scientific and Technological Advice

- Fourth session 16 - 18 December 1996
- Fifth session 24 - 28 February 1997
- Sixth session third quarter of 1997 (to be confirmed)

Subsidiary Body for Implementation

- Fourth session 10 - 11 December 1996
- Fifth session 24 - 28 February 1997
- Sixth session third quarter of 1997 (to be confirmed)

Ad Hoc Group on the Berlin Mandate

- Fifth session 9 - 13 December 1996
- Sixth session 3 - 7 March 1997
- Seventh session third quarter of 1997 (to be confirmed)
- Eighth session December 1997 (to be held concurrently with COP 3)

Ad Hoc Group on Article 13

- Third session 16 - 18 December 1996
- Fourth session in the period 24 February - 7 March 1997

Conference of the Parties

- Third session 1 - 12 December 1997

Annex

The Geneva Ministerial Declaration**

The Ministers and other heads of delegations present at the second session of the Conference of the Parties to the United Nations Framework Convention on Climate Change,

Noting that this, our meeting at Ministerial level under the Convention, is a demonstration of our intention to continue to take an active and constructive role in addressing the threat of climate change,

1. *Recall* Article 2 of the Convention; the principles of equity and of common but differentiated responsibilities and respective capabilities in Article 3.1 of the Convention; and the provisions of Article 3.3 concerning precautionary measures; as well as the specific national and regional development priorities, objectives and circumstances of the Parties to the Convention;

2. *Recognize* and *endorse* the Second Assessment Report of the Intergovernmental Panel on Climate Change (IPCC) as currently the most comprehensive and authoritative assessment of the science of climate change, its impacts and response options now available. Ministers believe that the Second Assessment Report should provide a scientific basis for urgently strengthening action at the global, regional and national levels, particularly action by Parties included in Annex I to the Convention (Annex I Parties) to limit and reduce emissions of greenhouse gases, and for all Parties to support the development of a Protocol or another legal instrument; and *note* the findings of the IPCC, in particular the following:

- The balance of evidence suggests a discernible human influence on global climate. Without specific policies to mitigate climate change, the global average surface temperature relative to 1990 is projected to increase by about 2C (between 1C and 3.5C) by 2100; average sea level is projected to rise by about 50 centimetres (between 15 and 95 centimetres) above present levels by 2100. Stabilization of atmospheric concentrations at twice pre-industrial levels will eventually require global emissions to be less than 50 per cent of current levels;

** For the action taken by the Conference of the Parties, see section 5 above.

- The projected changes in climate will result in significant, often adverse, impacts on many ecological systems and socio-economic sectors, including food supply and water resources, and on human health. In some cases, the impacts are potentially irreversible; developing countries and small island countries are typically more vulnerable to climate change.

- Significant reductions in net greenhouse gas emissions are technically possible and economically feasible by utilizing an array of technology policy measures that accelerate technology development, diffusion and transfer, and significant no-regrets opportunities are available in most countries to reduce net greenhouse gas emissions.

3. *Believe* that the findings of the Second Assessment Report indicate that the continued rise of greenhouse gas concentrations in the atmosphere will lead to dangerous interference with the climate system, given the serious risk of an increase in temperature and particularly the very high rate of temperature change;

4. *Recognize* also the need for continuing work by the IPCC to further reduce scientific uncertainties, in particular regarding socio-economic and environmental impacts on developing countries, including those vulnerable to drought, desertification or sea-level rise;

5. *Reaffirm* the existing commitments under the Convention, including those intended to demonstrate that Annex I Parties are taking the lead in modifying longer-term trends in emissions by sources and removals by sinks of greenhouse gases not controlled by the Montreal Protocol, and *agree* to strengthen the process under the Convention for the regular review of the implementation of present and future commitments;

6. *Take note* that Annex I Parties are fulfilling their commitments to implement national policies and measures on the mitigation of climate change. Also *take note* that this is not the only commitment that Annex I Parties have made and that many of these Parties need to make additional efforts to overcome difficulties that they face in achieving the aim of returning their emissions of greenhouse gases to 1990 levels by 2000;

7. *Acknowledge* the considerable work done by the Ad Hoc Group on the Berlin Mandate (AGBM) since the first session of the Conference of the Parties, including the substantive proposals presented by a number of Parties, and *call on* all Parties to come forward with proposals to facilitate substantive negotiations beginning at the fifth session of the AGBM in December 1996;

8 *Instruct* their representatives to accelerate negotiations on the text of a legally-binding protocol or another legal instrument to be completed in due time for adoption at the third session of the Conference of the Parties. The outcome should fully encompass the remit of the Berlin Mandate, in particular

- commitments for Annex I Parties regarding

  * policies and measures including, as appropriate, regarding energy, transport, industry, agriculture, forestry, waste management, economic instruments, institutions and mechanisms;

  * quantified legally-binding objectives for emission limitations and significant overall reductions within specified time-frames, such as 2005, 2010, 2020, with respect to their anthropogenic emissions by sources and removals by sinks of greenhouse gases not controlled by the Montreal Protocol;

- commitments for all Parties on continuing to advance the implementation of existing commitments in Article 4.1;

- a mechanism to allow the regular review and strengthening of the commitments embodied in a protocol or other legal instrument;

- commitments to a global effort to speed up the development, application, diffusion and transfer of climate-friendly technologies, practices and processes; in this regard, further concrete action should be taken;

9 *Welcome* the efforts of developing country Parties to implement the Convention and thus to address climate change and its adverse impacts and, to this end, to make their initial national communications in accordance with guidelines adopted by the Conference of the Parties at its second session; and *call on* the GEF to provide expeditious and timely support to these Parties and initiate work towards a full replenishment in 1997;

10 *Recognize* that the continuing advancement of existing commitments by developing country Parties, in the context of their national priorities for sustainable development, requires determined and timely action, in particular by Annex II Parties. Access to financial resources and to environmentally-sound technologies consistent with Article 4.3, 4.4, 4.5 and 4.7 will be most critical;

11. *Thank* the Government of the Swiss Confederation for its contribution to the work of the second session of the Conference of the Parties in Geneva and *look forward* to meeting again at the third session in Kyoto, in 1997, thanks to the generous offer of the Government of Japan.

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